



The Deputy Secretary of Energy
Washington, DC 20585

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MEMORANDUM FOR ALL DEPARTMENTAL ELEMENTS

FROM:  T.J. GLAUTHIER

SUBJECT: Long-Term Stewardship Transition to Site Landlord

Over the next decade, dozens of Department of Energy (DOE) sites will require Long-term environmental stewardship (LTS) activities after the Environmental Management (EM) program has completed its environmental restoration, decontamination, and decommissioning mission. After EM cleanup projects are completed, residual contamination will remain at dozens of sites for which the Department will have LTS responsibilities. Long-term environmental stewardship includes those activities necessary to protect public health and the environment from residual hazards, including monitoring, maintenance, institutional controls, information management (including records maintenance), and other activities to ensure that implemented remedies remain effective. As a recent report by the National Research Council indicated, there are a number of challenges to be met before reliable LTS can be assured. The Department will endeavor to meet these challenges through proper planning, management and execution of LTS activities.

For most of the sites where cleanup is already complete, EM will remain responsible for providing ongoing LTS, because no other DOE program office will have a continuing presence. However, non-EM missions, such as nuclear weapons stockpile stewardship and scientific research, are expected to continue at many other sites for many years. Senior DOE managers, including Program Secretarial Officers (PSOs) and the Field Management Council, recently have determined a management strategy which would provide the most reliable and cost-effective LTS at sites with continuing non-EM missions. To ensure a consistent and standard approach to LTS, it was determined that the policy of the Department will be that the site landlord programs take responsibility for LTS activities after EM finishes its cleanup mission at a site.

Transfer of LTS responsibilities may occur only after the site landlord and EM agree that the EM mission at the site has been completed and the following three conditions are met: (1) a technical planning document has been developed establishing the current LTS operating baseline and describing the scope and operating costs for future LTS activities; (2) the budget authority and budget target has been transferred to the receiving PSO for the amount equivalent to the operating costs for LTS activities; and (3) a formal transfer agreement for LTS, that includes post-transfer responsibilities, has been coordinated and signed for each site. Each of these conditions is explained further:



- (1) Planning- The receiving landlord PSO and EM will develop an LTS baseline for each site to be transferred that describes the scope of LTS program management, the baseline technical activities, and the projected schedule, with expected costs. EM will coordinate, in cooperation with the landlord PSOs, the approval of the LTS planning documents with stakeholders and regulators until the sites are formally transferred. After transfer, site landlords will be responsible for updating the operating baseline with information collected as part of their ongoing LTS responsibilities. Attendant with this update, PSOs should evaluate opportunities to employ new technologies or other improvements to their LTS program at their sites. EM and the PSOs will continue to coordinate and evaluate cross-complex or complex-wide LTS issues. In anticipation of eventually assuming LTS responsibilities, landlord PSOs should become familiar with the planning and closure activities that will lead to stewardship.

To accomplish the creation of LTS operating baselines for all sites in the EM program, the Office of Long-Term Stewardship, in consultation with the PSOs, will publish by October 1, 2001, guidance for preparing Long-Term Stewardship Plans (LTSPs) as well as guidance for the inclusion of discrete LTS elements in each PSO's site planning and budget documents. The technical information contained in each LTSP will be combined with the financial information to create the LTS operating baseline. All EM sites will prepare LTSPs and will have an associated Project Baseline Summary in place by the beginning of Fiscal Year 2004.

- (2) Funding - EM will transfer budget authority and budget target in accordance with DOE Order 430.1, Life Cycle Asset Management, equivalent to the level required for the LTS activities at a site. After Congressional approval of the funding transfer, the landlord PSOs will assume responsibility for managing all LTS-related activities and for programming the necessary budgets for continuing LTS activities.

As noted previously, PSOs will be responsible after transfer for maintaining the LTS baseline as required, including the update of financial planning information. EM will coordinate preparation of a LTS management report to the Department's Chief Operating Officer, the Chief Financial Officer, and the Field Management Council. The management report will provide information on DOE-wide LTS activities to help support management efforts, such as trend analysis, cost control, and ensuring consistency and reliability. Each PSO will report to EM by the end of each fiscal year on the LTS activities at all sites for which they have responsibility. EM will report on its sites as well as all sites that are expected to enter LTS within the following three years. This

reporting will allow the Department to prepare and publish annual financial statements as required under the Government Management Reform Act.

- (3) Accountability - The landlord PSOs generally will assume responsibility for managing the LTS program at those sites where EM mission activities have been completed, and a non-EM mission will continue. EM will remain responsible for managing the LTS program at all sites until responsibility for long-term stewardship is formally transferred consistent with transfer and acceptance protocols. A formal LTS Memorandum of Agreement (MOA) between EM and the receiving PSO will be executed for each site transferred. Each MOA will define the responsibilities for LTS activities and for related matters, such as performing future cleanup activities at the transferred site, should they be required. For those sites where EM is requested to perform LTS activities at a site operated by the landlord PSOs, a separate, formal agreement will be executed. The Office of the Assistant Secretary for Environment, Safety and Health (EH) will continue to provide independent oversight of LTS management activities.

As the Department's LTS responsibilities grow over the next decades, it is crucial that we continue to apply a systematic approach for managing our sites to reduce the associated risks and costs. If you have questions, please contact Jim Werner or Jeff Short in the Office of Long-Term Stewardship (EM-51) at (202) 586-9280.

This memorandum has been reviewed by the Field Management Council.

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